Page 7

indirect effects of the measure on the greenhouse gas emisisons, such as flow on effects to other sectors, or possible effects in countries not participating in the common action, will be discussed. Where relevant, specific examples of these indirect effects will be given.

Costs and macro-economic effects5

The following information will be provided (including variations on the extent and type of commonality for each measure studied):

- A. the key assumptions the cost estimates are based on;
- B. the level of confidence associated with the cost estimates (in the analyst's opinion, or from a sensitivity analysis);
- C. the information that is needed for the cost estimates and whether it is available or not;
- D. information on the variation of costs from country to country and factors influencing these differences;
- E. the type of analysis or modelling that is relevant to assessing the costs of the measure.

Preliminary assessments of the cost (e.g. high/medium/low) will be given. Where information is available, the incremental cost of the measure will be estimated in US dollars per ton CO₂ equivalent. The type of costs included in the analysis will be specified: cost to governments of implementing and enforcing the measure; cost to industry; cost to the general public; macroeconomic effects (including effects on employment and trade, GDP, and investment). In some cases there may be economic benefits associated with the measure, which will be noted.

Political feasibility

The study will discuss political and institutional issues associated with the measure, such as whether the measure is likely to be politically sensitive (to governments, other participants, interest groups). Where relevant, the analysis will identify the political feasibility of measures (including variations on the extent and type of commonality), in different national and regional contexts, and comment on the relative merits of the measure for the groups most affected by it (governments, industry, interest groups).

Other policy goals

The effects (benefits and costs) of the measure on other social, economic, environmental policy goals will be discussed for each extent and type of commonality studied.

Barriers to successful implementation and options for addressing them

The case study will address questions related to the implementation of the measure, for example: whether there is a market for new technology developments; whether the necessary institutions exist; whether new infrastructure or behaviour change is needed before the measure can be successful; and what additional barriers might be relevant.

Other costs are covered under "other policy goals."